

**TOWNSHIP TRUSTEES' BULLETIN
and Uniform Compliance Guidelines**

Vol. No. 242, Page 1

August 1998

ITEMS TO REMEMBER

Per Volume 241, June 1998 Township Trustees' Bulletin and Uniform Compliance Guidelines, August 31 is the last date for the first publication of a township budget (10 days prior to the public hearing) (IC 6-1.1-17-3).

SEPTEMBER

September 7: Legal Holiday - Labor Day (IC 1-1-9-1)

September 7: Last date for second publication of Township Budgets (3 days before the public hearing). (IC 5-3-1-2)

September 10: Last date for public hearing on proposed budget (at least 10 days prior to the adoption of the budget). Ten (10) or more taxpayers may object to a budget, tax rate, or tax levy by filing an objection petition with the proper officers of the political subdivision not more than seven (7) days after the hearing. (IC 6-1.1-17-5)

September 16: Last date to file budgets with County Auditor at least two (2) days prior to the first meeting of the County Board of Tax Adjustment if applicable. (IC 6-1.1-17-5) (Contact State Board of Tax Commissioners at 317-232-3773 if conflicts exist with date.)

September 18: Meeting of County Board of Tax Adjustment. (IC 6-1.1-29-4) Each County Board of Tax Adjustment, if applicable, shall hold its first meeting of each year on September 18th or on the first business day after September 18th if September 18th is not a business day.

September 20: Last date for meeting of Township Board to make appropriations for 1999 and to fix tax levies. (IC 6-1.1-17-5)

September: All local investment officers shall reconcile at least monthly the balance of public funds as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. (IC 5-13-6-1)

NOTE: The Township Board should set the salaries of township officials and employees except assessing officials and employees, in conjunction with the preparation and completion of the township budget. (Use Township Form 17)

**TOWNSHIP TRUSTEES' BULLETIN
and Uniform Compliance Guidelines**

Vol. 242, Page 2

August 1998

**ITEMS TO REMEMBER
(Continued)**

OCTOBER

- October 1: On or before this date all duties of the County Board of Tax Adjustment must be completed, except for a consolidated city or county. (IC 6-1.1-17-9)
- Last date to file appeals for an excessive tax levy. (IC 6-1.1-18.5-12)
- As soon as the budgets, tax rates, and tax levies are approved or modified by the county board of tax adjustment, the county auditor shall within fifteen (15) days prepare a notice of the tax rates to be charged on each one hundred dollars of assessed valuation for the various funds in each taxing district. The notice shall also inform the taxpayers of the manner in which they may initiate an appeal of the county board's action.
- October 12: Legal Holiday - Columbus Day (IC 1-1-9-1)
- October 15: Last day to make pension report and payment for third quarter by townships participating in PERF.
- October 31: Last day to file quarterly report for third quarter to Internal Revenue Service.
- October: All local investment officers shall reconcile at least monthly the balance of public funds as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. (IC 5-13-6-1)

NOVEMBER

- November 3: Legal Holiday - Election Day (IC 1-1-9-1)
- November 11: Legal Holiday - Veterans' Day (IC 1-1-9-1)
- November 26: Legal Holiday - Thanksgiving Day (IC 1-1-9-1)
- November 30: On or before June 1 and December 1 of each year (or more frequently if the County Legislative Body adopts an ordinance requiring additional certifications) the Trustee shall certify a list of the names and addresses of each person who has money due from the township to the County Treasurer. (IC 6-1.1-22-14)
- November: All local investment officers shall reconcile at least monthly the balance of public funds as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. (IC 5-13-6-1)

**TOWNSHIP TRUSTEES' BULLETIN
and Uniform Compliance Guidelines**

Vol. 242, Page 3

August 1998

TRANSFERS OF MONEY FROM ONE ACCOUNT TO ANOTHER
WITHIN THE TOWNSHIP ACCOUNT

IC 6-1.1-18-6(a) states "The proper officers of a political subdivision may transfer money from one major budget classification to another within a department or office if:

- (1) they determine that the transfer is necessary;
- (2) the transfer does not require the expenditure of more money than the total amount set out in the budget as finally determined under this article;
- (3) the transfer is made at a regular public meeting and by proper ordinance or resolution; and
- (4) the transfer is certified to the county auditor."

(b) "A transfer may be made under this section without notice and without the approval of the state board of tax commissioners."

On June 28, 1976 the Indiana Attorney General issued Official Opinion No. 11 addressed to the State Superintendent of Public Instruction. The opinion was issued in response to the question as to whether a public school corporation is authorized to transfer money from one account of its General Fund to another account within its General Fund without additional prior notice to the public and without prior approval of the State Board of Tax Commissioners.

The conclusion in the opinion states "that by enacting Indiana Code, Section 6-1.1-18-6, the General Assembly intended to authorize a public school corporation, on the same basis as other political subdivisions of government, to transfer money from one major budget classification of its general fund to another classification within that same fund without additional public notice and prior approval of the State Board of Tax Commissioners; but such a transfer could only be made by ordinance adopted at a public meeting of the school board, and the ordinance could not authorize expenditure of money in excess of the total appropriation for the school corporation. This opinion, however, relates only to the intended applicability of Code Section 6-1.1-18-6. Doubts remain as to the constitutionality of the provisions of that section which permit transfer of funds without notice."

APPROPRIATIONS - INSURANCE CLAIM PROCEEDS

IC 6-1.1-18-7 states "Notwithstanding the other provisions of this chapter, the appropriating body of a political subdivision may appropriate funds received from an insurance company if:

- (1) the funds are received as a result of damage to property of the political subdivision; and
- (2) the funds are appropriated for the purpose of repairing or replacing the damaged property.

However, this section applies only if the funds are in fact expended to repair or replace the property within the twelve (12) month period after they are received."

APPROPRIATION REFUNDS

IC 6-1.1-18-9 states "Notwithstanding the other provisions of this chapter, the proper officer or officers of a political subdivision may:

- (1) make an appropriation with respect to a contract for the discovery of omitted property if the contract provides the payment for the services performed is to be made from taxes or penalties collected on the discovered property;
- (2) reappropriate money recovered from erroneous or excessive disbursements if the error and recovery are made within the current budget year; or
- (3) refund, without appropriation, money erroneously received."

**TOWNSHIP TRUSTEES' BULLETIN
and Uniform Compliance Guidelines**

Vol. 242, Page 4

August 1998

**LEAVE OF ABSENCE - OFFICERS AND EMPLOYEES WHO ARE MEMBERS
OF THE INDIANA NATIONAL GUARD OR RESERVES**

IC 10-2-4-3 states "(a) This section applies to all officers and employees of the state of Indiana or any county, township, municipality, or school corporation in Indiana who are listed in subsection (b).

(b) As used in this section, "member" refers to the following:

- (1) A member of the Indiana National Guard.
- (2) A member of a reserve component.
- (3) A member of the retired personnel of the naval, air, or ground forces of the United States.

(c) A member is entitled to receive from the member's employer a leave of absence from the member's respective duties, in addition to regular vacation period, without loss of time or pay for such time as the member is:

- (1) on training duties of the state of Indiana under the order of the governor as commander in chief; or
- (2) a member of any reserve component under the order of the reserve component authority; for consecutive or nonconsecutive periods not to exceed a total of fifteen (15) days in any calendar year.

(d) A member is entitled to receive from the member's employer a leave of absence from the member's respective duties, in addition to the member's regular vacation period, for the total number of days that the member is on state active duty under section 4 of this chapter. This leave of absence may be with or without loss of time or pay at the discretion of the member's employer."

IC 10-5-9-1 states "Any person who, as a reserve member of the armed forces of the United States, is called upon to receive temporary military training, shall be entitled to a temporary leave of absence from his employer, not to exceed fifteen (15) days in any one (1) calendar year: Provided, That such person is required to provide his employer with evidence of the dates of his departure and return as soon as practicable prior to his departure, and shall be required to furnish his employer upon his return, evidence of his satisfactory completion of such training. Upon his return, such person shall be restored to his previous, or similar position, with the same status as he held before leaving for his training period. Such leaves may be granted with or without pay within the discretion of the employer.

Any temporary leave of absence so granted shall not affect the rights of the person to vacation leave, sick leave, or other normal benefits of his employment."

Unofficial Opinions of Attorney General of the State of Indiana, court decisions and statutory provisions provide us with the following audit position:

1. Officers and employees of a township are entitled to leave of absence without loss of vacation time from their duties and shall be allowed compensation in accordance with the aforementioned.
2. The compensation shall be in addition to the military pay received by a township officer or employee if authorized as stated above.
3. The compensation would be for regular days of township employment missed.
4. The officer or employee is required to furnish the township with proper certification orders to support the claims for compensation while absent on military duty.

**TOWNSHIP TRUSTEES' BULLETIN
and Uniform Compliance Guidelines**

Vol. 242, Page 5

August 1998

DORMANT FUND BALANCES TRANSFERS AUTHORIZED

IC 36-1-8-5 concerning transfers of unused and unencumbered funds states in part (a) "This section applies to all funds raised by a general or special tax levy on all the taxable property of a political subdivision." (b) "Whenever the purposes of a tax levy have been fulfilled and an unused and unencumbered balance remains in the fund, the fiscal body of the political subdivision shall order the balance of that fund to be transferred as follows, unless a statute provides that it be transferred otherwise: . . .

(3) Funds of a township for redemption of poor relief obligations, to the poor relief fund of the township.

(4) Funds of any other political subdivision, to the general fund of the political subdivision . . . "

(c) "Whenever an unused and unencumbered balance remains in the civil township fund of a township and a current tax levy for the fund is not needed, the township fiscal body may order any part of the balance of that fund transferred to the debt service fund of the school corporation located in or partly in the township; but if more than one (1) school corporation is located in or partly in the township, then any sum transferred shall be transferred to the debt service fund of each of those school corporations in the same proportion that the part of the assessed valuation of the school corporation in the township bears to the total assessed valuation of the township."

We are of the audit position the transfer may occur at any public meeting.

STATE BOARD OF ACCOUNTS CALLED MEETING

Once again the State Board of Accounts anticipates (in accordance with IC 5-11-14-1) calling a meeting of all Township Trustees in conjunction with the Township Convention November 19th through November 21, 1998 in Indianapolis. Many items pertaining to our audits of townships will be discussed at our meeting on Thursday, November 19, 1998. Please make plans to attend the meeting and the Township Convention.

We have allowed individuals to pick up Annual Report Packages for other townships at prior meetings. However, several situations have arisen resulting in the townships for whom the packages were picked up, not receiving the information. Therefore, a letter such as the following will be required for anybody to pick up your package at the November 1998 meeting. All other packages will be mailed to the address we currently have on file for each township.

To: State Board of Accounts

From: _____ Township Trustee, _____ County

Re: 1998 Annual Report Package

Date: _____, 1998

Dear Sirs:

_____ has my permission to pick up the 1998 Annual Report package for me at the annual meeting for Township Trustees.

Township Trustee

**TOWNSHIP TRUSTEES' BULLETIN
and Uniform Compliance Guidelines**

Vol. 242, Page 6

August 1998

The State Board of Accounts is planning to provide training for newly elected township trustees on Wednesday, November 18, 1998. The meeting will be at the Indiana Government Center South Auditorium. We will attempt to contact newly elected township trustees and provide more information concerning the training session to townships and county auditors after the elections in November. Please provide the information concerning the new trustee training to applicable individuals.

BURIAL OF PATIENTS OF STATE PSYCHIATRIC INSTITUTIONS

A question is sometimes presented as to the responsibility for burial of deceased patients of state hospitals. Official Opinion No. 82 of the Attorney General of Indiana, dated August 12, 1946, provided a list of four (4) procedures to be followed. IC 12-20-16-12 now states in part (a) "This section does not apply if the county coroner assumes jurisdiction of an unclaimed body under IC 36-2-14-16."

(b) "If: (1) an individual dies in a township without leaving:

- (A) money;
- (B) real or personal property;
- (C) other assets that may be liquidated; or
- (D) other means necessary to defray funeral expenses; and

(2) the individual is not a resident of another township in Indiana;

the township trustee, as administrator of poor relief, shall provide a person to superintend and authorize either the funeral and burial or cremation of the deceased individual. If the township trustee determines that the deceased individual is a resident of another township in Indiana, the township trustee shall notify the trustee of that township, who shall then provide a person to superintend and authorize either the funeral and burial or cremation of the deceased individual."

(d) "If an individual described in subsection (b) is a resident of a state institution at the time of the individual's death, the division that has administrative control of the state institution shall reimburse the township trustee for the necessary and reasonable expenses of the funeral and burial or cremation of the deceased individual. The township trustee shall submit to the division that has administrative control of the state institution an itemized claim for reimbursement of the necessary and reasonable funeral and burial or cremation expenses incurred by the township trustee."

(e) "If an individual described in subsection (b) is a resident of a special institution governed by IC 16-33 at the time of the individual's death, the state department of health shall reimburse the township trustee for the necessary and reasonable expenses of the funeral and burial or cremation of the deceased individual. The township trustee shall submit to the state department of health an itemized claim for reimbursement of the necessary and reasonable funeral and burial or cremation expenses incurred by the township trustee."